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Minnesota

Minnesota Labor Market Review

April 1991

Job Losses at Large Employers Prompt Surge in Unemployment Rate

Recession struck Minnesota with a vengeance in February, sparked by employment losses at several large employers. Consequently, the unemployment rate shot up to 6.6%, highest for that month since 1984.

The number of seasonally adjusted jobs peaked last October, but declined by less than 4,000 over the next three months. This was nowhere near the U.S. drop. Had the state shed jobs at the national rate, losses would have been over 12,000. With retail sales and hours worked holding steady, there was no downturn -- just stagnation.

In February that changed. Events at four firms simultaneously reduced employment, accounting for about three-fourths of the 6,400 job loss. A short-lived strike at ordnance supplier Alliant Techsystems during the survey week reduced jobs in durable goods manufacturing. It coincided with large layoffs at Ford and Andersen -- repercussions of a weak national market for motor vehicles and houses. Northwest Air also announced reductions in its work-force as travel subsided during the Gulf War. Therefore, initial claims for unemployment insurance remained high, with many claimants experiencing their second bout of unemployment within a year.

Current Labor Force Estimates

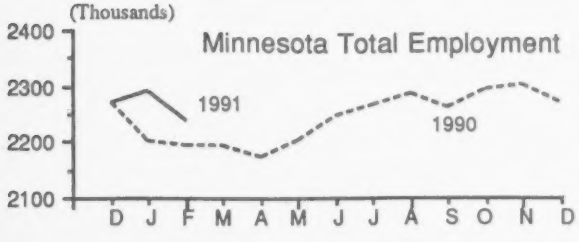
	Minnesota (In Thousands)			% Change From		United States (In Thousands)			% Change From	
	Feb 91	Jan 91	Feb 90	Jan 91	Feb 90	Feb 91	Jan 91	Feb 90	Jan 91	Feb 90
Labor Force	2394.8	2421.2	2354.4	- 1.1	1.7	124,070	123,585	123,442	0.4	0.5
Employment	2237.9	2290.6	2230.5	-2.3	0.3	115,151	114,990	116,308	0.1	-1.0
Unemployment	156.9	130.6	123.9	20.2	26.6	8,919	8,595	7,134	3.8	25.0
Actual Unemp. Rate	6.6	5.4	5.3			7.2	7.0	5.8		
Seasonally Adj. Rate	-	-	-			6.5	6.2	5.3		

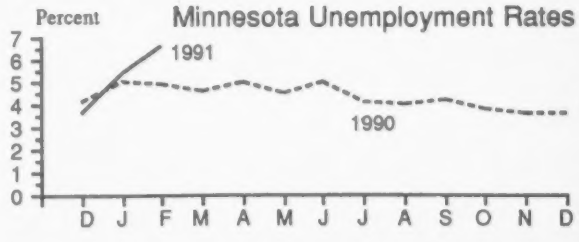
Even with the February shock, jobs dropped far less since peaking in October than they did during any of the last three recessions. The loss was, in fact, one-third of what it was during the mildest recession, the brief downturn in the first half of 1980. As before, there is a wide variation in how industries fare. Jobs in manufacturing and construction peaked one year ago, well ahead of the recession's start. By last summer, transportation, utilities and trade followed suit. Meanwhile, employment in services and government kept growing and is at an all-time high.

The U.S. experienced similar industry patterns over the past year, but with more widespread declines in the goods-producing sector. As a result, the nation has fewer jobs than it did a year ago, unlike Minnesota which has more. Economies in Midwestern states, especially Nebraska, the Dakotas and Wisconsin, have held up better than nationally. Compared to its neighbors, Minnesota's job market looks sluggish, but against most states it shines.

By Don Hilber

Minnesota Employment and Unemployment Rates - 1990 and 1991





Minnesota Nonfarm Wage & Salary Jobs, Hours & Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS & HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Feb. 1991	Jan. 1991	Feb. 1990	Jan. 1991	Feb. 1990	Feb. 1991	Feb. 1990	Feb. 1991	Feb. 1990	Feb. 1991	Feb. 1990
Total Nonfarm Wage and Salary	2,082.5	2,086.2	2,077.3	-0.2	0.2	-	-	-	-	-	-
Goods Producing	449.9	457.5	464.8	-1.7	-3.2	-	-	-	-	-	-
Mining	7.2	7.2	7.2	-1.0	-0.2	649.32	617.32	42.0	44.0	15.46	14.03
Metal Mining	6.3	6.3	6.1	-1.4	3.0	669.07	635.02	42.4	44.5	15.78	14.27
Construction	60.4	62.2	64.3	-2.8	-6.0	655.62	624.59	37.4	37.2	17.53	16.79
Manufacturing	382.4	388.1	393.3	-1.5	-2.8	455.26	446.80	39.9	40.0	11.41	11.17
Durable Goods	215.9	221.5	228.6	-2.5	-5.5	467.37	461.95	40.5	40.7	11.54	11.35
Lumber and Furniture	20.4	21.5	21.8	-5.1	-6.4	468.62	505.00	37.4	38.2	12.53	13.22
Stone, Clay and Glass	7.1	7.2	7.2	-1.5	-1.8	497.74	462.30	41.0	40.2	12.14	11.50
Primary Metals	6.1	6.3	6.4	-2.6	-4.5	464.26	457.06	40.3	41.4	11.52	11.04
Fabricated Metals	32.7	34.1	34.3	-4.1	-4.7	496.51	471.42	41.0	41.1	12.11	11.47
Industrial Machinery	73.7	74.0	78.9	-0.4	-6.5	500.99	474.97	41.2	40.7	12.16	11.67
Office and Computing	32.1	32.1	36.1	0.0	-11.1	531.91	484.21	44.4	42.4	11.98	11.42
Electronic Equipment	29.5	29.9	29.7	-1.4	-0.9	396.88	408.10	41.0	41.6	9.68	9.81
Transportation Equipment	8.2	10.1	11.1	-19.4	-26.6	478.80	492.48	40.0	40.4	11.97	12.19
Instruments and Related	32.5	32.6	33.1	-0.2	-1.8	453.11	441.63	41.8	42.1	10.84	10.49
Misc. Manufacturing	5.8	5.9	6.1	-0.9	-4.5	387.96	413.71	36.6	38.2	10.60	10.83
Nondurable Goods	166.4	166.7	164.7	-0.1	1.0	442.13	428.15	93.3	39.1	11.25	10.95
Food & Beverage Products	47.2	47.4	47.0	-0.3	0.5	397.94	382.59	39.4	39.2	10.10	9.76
Textiles & Apparel	4.8	4.9	4.6	-0.7	3.9	284.87	293.10	35.3	35.7	8.07	8.21
Paper Products	34.2	34.2	33.5	0.0	2.1	571.20	545.81	42.5	41.1	13.44	13.28
Printing and Publishing	52.4	52.3	51.3	0.1	2.2	417.75	423.38	37.1	37.5	11.26	11.29
Chemicals and Petroleum	11.2	11.4	11.6	-1.2	-3.0	552.57	513.76	40.6	41.2	13.61	12.47
Rubber, Plastic & Leather	16.6	16.6	16.8	0.2	-1.3	411.03	385.36	40.1	40.1	10.25	9.61
Service Producing	1,632.5	1,628.6	1,612.5	0.2	1.2	-	-	-	-	-	-
Transp., Comm., & Util.	106.6	107.3	106.5	-0.7	0.1	-	-	-	-	-	-
Transportation	72.7	73.3	72.5	-0.8	0.2	-	-	-	-	-	-
Trucking & Warehousing	26.0	26.1	26.4	-0.4	-1.6	382.94	406.89	31.7	33.0	12.08	12.33
Communication & Utilities	33.9	34.1	34.0	-0.4	-0.2	622.79	587.90	38.9	38.2	16.01	15.39
Trade	498.3	503.9	500.0	-1.1	-0.3	243.66	230.89	28.7	28.4	8.49	8.13
Wholesale	122.1	122.5	123.3	-0.4	-1.0	424.47	404.43	37.3	36.8	11.38	10.99
Retail	376.3	381.4	376.7	-1.3	-0.1	191.26	180.01	26.2	25.9	7.30	6.95
Building Materials	16.5	17.0	16.4	-2.8	0.3	309.03	317.66	33.7	35.1	9.17	9.05
General Merchandise	54.6	57.3	56.6	-4.7	-3.6	183.44	170.64	24.2	24.0	7.58	7.11
Food Stores	3.7	54.2	52.3	-1.0	2.7	210.63	187.70	26.9	26.4	7.83	7.11
Automotive	42.4	42.8	42.6	-0.8	-0.4	288.99	291.38	34.2	34.0	8.45	8.57
Apparel	19.1	19.9	20.0	-4.0	-4.5	132.04	125.55	21.4	21.1	6.17	5.95
Home Furnishings	14.9	15.3	15.3	-2.5	-2.5	280.21	257.00	31.1	30.2	9.01	8.51
Eating and Drinking	125.1	124.6	123.8	0.4	1.0	130.53	116.11	22.9	22.2	5.70	5.23
Fin., Insur., Real Estate	123.9	123.9	123.5	0.0	0.4						
Finance	56.5	56.5	56.8	0.1	-0.4						
Insurance	46.9	46.9	46.2	0.0	1.5						
Real Estate	20.5	20.5	20.5	0.0	0.1						
Services	552.7	549.1	539.0	0.6	2.5						
Personal Services	25.6	25.1	25.4	2.0	0.9						
Business Services	92.1	91.5	90.3	0.6	2.0						
Repair Services	23.7	23.7	23.4	-0.3	1.2						
Health Services	169.9	169.3	164.3	0.3	3.4						
Nursing Homes	43.6	43.5	43.6	0.2	0.0						
Hospitals	57.0	56.7	55.1	0.6	3.6						
Legal Services	15.9	16.0	15.6	-0.2	2.4						
Private Education	34.8	33.7	33.9	3.5	2.8						
Government	351.0	344.4	343.5	1.9	2.2						
Federal	33.6	33.7	34.0	-0.4	-1.2						
State	88.4	86.0	87.0	2.7	1.6						
Education	51.3	48.9	50.2	4.8	2.2						
Local	229.0	224.6	222.5	1.9	2.9						
Education	125.2	120.8	122.5	3.7	2.3						

Note: Not all industry sub-groups are shown for every major industry category.

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Minneapolis-St. Paul MSA

Are We Nearing the Bottom?

Labor market indicators took a sharp nosedive in the Twin Cities in February. The unemployment rate rose to 5.5%, the highest it has been in February since 1984. Nonfarm wage and salary jobs dropped below the level of a year ago for the first time since May 1983. While there are a multitude of indicators of weak demand for labor, there are also a few early signs that perhaps the economic downturn is beginning to level and the labor market will begin to rebound.

There is no real typical trend in the unemployment rate between January and February. Over the past 11 years, the rate has increased four times, decreased four times, and remained unchanged three times. This year the jobless rate increased by 1.1 percentage points, by far the most the rate has increased between these two months.

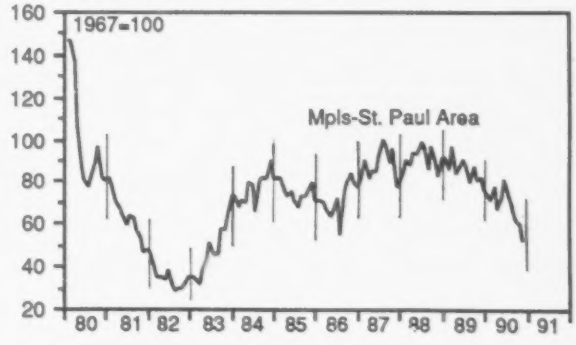
The establishment survey indicates that the job loss was widespread, but particularly severe in durable goods manufacturing. The Ford assembly plant shutdown for inventory adjustment during the February survey reference week. In addition, there was a major labor management dispute, since settled, which eliminated about 1,300 jobs in a fabricated metal products firm during the survey week. These two somewhat unusual events contributed significantly to the over the year job loss.

Signs of economic recovery come primarily from early March national data which shows renewed interest in new and previously-owned homes, and the tremendous surge in consumer confidence following the cease-fire in late February. That should bolster construction and construction-related manufacturing jobs, such as windows and doors, in the months ahead. Meanwhile, higher consumer confidence has already resulted in recalls in airline transportation, and it should fuel more demand in the Spring-time retail and service areas.

In summary, one can be cautiously optimistic that labor market conditions will improve--probably gradually, however. There is still a good deal of caution among both employers and consumers, and employment generally lags behind other indicators of economic activity.

By Bruce Steuernagel

Conference Board Help Wanted Index



Labor Force Estimates

	Employment			Unemployment			Unemp. Rate		
	Feb. 1991	Jan. 1991	Feb. 1990	Feb. 1991	Jan. 1991	Feb. 1990	Feb. 1991	Jan. 1991	Feb. 1990
Mpls-St. Paul	1,316,314	1,347,864	1,328,656	76,151	61,692	58,016	5.5	4.4	4.2
REGION 11	1,235,892	1,265,547	1,247,018	67,466	54,507	51,843	5.2	4.1	4.0
Anoka	127,106	130,156	128,250	8,795	7,245	6,432	6.5	5.3	4.8
Carver	23,684	24,252	23,897	1,516	1,297	1,233	6.0	5.1	4.9
Dakota	139,193	142,533	140,446	8,467	6,669	6,236	5.7	4.5	4.3
Hennepin	584,773	598,805	590,038	27,979	23,318	22,475	4.6	3.7	3.7
Ramsey	261,502	267,777	263,856	13,339	10,427	10,269	4.9	3.7	3.7
Scott	28,001	28,673	28,254	2,422	2,003	2,000	8.0	6.5	6.6
Washington	71,633	73,351	72,277	4,948	3,548	3,198	6.5	4.6	4.2
Chisago	13,665	13,993	13,788	1,727	1,446	1,391	11.2	9.4	9.2
Isanti	11,570	11,848	11,674	1,250	1,116	962	9.8	8.6	7.6
Wright	31,647	32,407	31,932	3,616	3,143	2,802	10.3	8.8	8.1
St. Croix, WI	23,540	24,069	24,244	2,092	1,483	1,018	8.2	5.8	4.0
Bloomington	54,822	56,138	55,316	2,450	2,080	1,974	4.3	3.6	3.4
Minneapolis	192,846	197,474	194,583	10,241	8,182	8,336	5.0	4.0	4.1
St. Paul	134,830	138,066	136,044	8,220	6,435	6,308	5.7	4.5	4.4

Twin Cities Nonfarm Wage & Salary Jobs, Hours & Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS & HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Feb. 1991	Jan. 1991	Feb. 1990	Jan. 1991	Feb. 1990	Feb. 1991	Feb. 1990	Feb. 1991	Feb. 1990	Feb. 1991	Feb. 1990
Total Nonfarm Wage and Salary	**1,343.6**	**1,347.2**	**1,346.4**	**-0.3**	**-0.2**	-	-	-	-	-	-
Goods Producing	**289.5**	**295.1**	**303.2**	**-1.9**	**-4.5**	-	-	-	-	-	-
Mining	**0.4**	**0.4**	**0.4**	**8.7**	**9.3**	**613.87**	**663.64**	**39.3**	**41.4**	**15.62**	**16.03**
Construction	**39.6**	**40.3**	**42.1**	**-1.7**	**-5.9**	**706.13**	**662.07**	**37.5**	**36.7**	**18.83**	**18.04**
Manufacturing	**249.4**	**254.4**	**260.7**	**-2.0**	**-4.3**	**479.60**	**468.40**	**39.9**	**40.0**	**12.02**	**11.71**
Durable Goods	144.7	149.6	157.4	-3.3	-8.1	490.45	479.89	40.3	40.6	12.17	11.82
Lumber and Furniture	7.8	8.8	9.2	-11.3	-16.1	518.37	567.11	37.0	38.5	14.01	14.73
Stone, Clay and Glass	2.3	2.4	2.4	-3.9	-5.3	491.79	496.75	39.0	39.3	12.61	12.64
Primary Metals	4.4	4.5	4.6	-2.4	-3.5	458.40	442.74	40.0	41.3	11.46	10.72
Fabricated Metals	24.4	25.7	26.1	-5.1	-6.7	529.62	480.74	42.0	40.5	12.61	11.87
Industrial Machinery	51.1	51.3	56.3	-0.4	-9.2	515.81	501.84	39.8	41.0	12.96	12.24
Office and Computing	20.8	20.8	25.0	0.1	-16.8	541.55	567.54	39.3	44.9	13.78	12.64
Electronic Equipment	18.3	18.4	18.7	-0.7	-2.5	411.37	396.76	39.9	39.4	10.31	10.07
Transportation Equipment	3.2	5.0	5.8	-37.4	-45.3	615.86	605.67	40.2	38.9	15.32	15.57
Instruments and Related	29.4	29.4	30.2	-0.3	-2.7	474.75	461.78	42.2	42.6	11.25	10.84
Misc. Manufacturing	4.0	4.1	4.1	-1.6	-1.6	444.00	465.52	37.0	38.6	12.00	12.06
Nondurable Goods	104.7	104.8	103.3	-0.1	1.4	466.10	453.15	39.4	39.2	11.83	11.56
Food & Beverage Products	18.0	18.3	18.1	-1.7	-0.4	485.75	456.55	41.2	40.8	11.79	11.19
Paper Products	26.1	26.1	25.7	0.2	1.6	511.70	488.40	41.2	40.0	12.42	12.21
Printing and Publishing	37.6	37.6	36.1	0.2	4.1	427.39	448.44	37.1	38.1	11.52	11.77
Chemicals and Petroleum	9.8	9.8	9.7	-0.1	0.8	595.85	555.19	40.7	39.6	14.64	14.02
Rubber and Plastic	11.0	11.0	11.1	0.1	-0.5	436.56	392.03	40.8	39.4	10.70	9.95
Service Producing	**1,054.1**	**1,052.0**	**1,043.2**	**0.2**	**1.0**	-	-	-	-	-	-
Transp. Comm., & Util.	**74.8**	**75.4**	**75.7**	**-0.7**	**-1.2**	-	-	-	-	-	-
Transportation	53.6	54.0	54.2	-0.8	-1.1	-	-	-	-	-	-
Trucking & Warehousing	16.1	16.1	17.1	-0.2	-6.1	381.35	400.69	29.2	31.7	13.06	12.64
Communication & Utilities	21.3	21.4	21.6	-0.6	-1.4	625.68	571.91	39.6	37.8	15.80	15.13
Trade	**317.1**	**320.9**	**321.5**	**-1.2**	**-1.4**	**276.36**	**261.36**	**29.4**	**29.3**	**9.40**	**8.92**
Wholesale	81.4	81.7	83.1	-0.4	-2.0	475.27	442.15	37.9	37.0	12.54	11.95
Retail	235.7	239.2	238.4	-1.5	-1.1	215.20	205.25	26.8	26.9	8.03	7.63
Building Materials	9.5	9.9	9.8	-3.8	-3.1	360.81	380.49	34.2	36.1	10.55	10.54
General Merchandise	38.1	40.2	40.7	-5.1	-6.4	202.52	188.57	24.4	24.3	8.30	7.76
Food Stores	29.6	29.7	29.1	-0.2	1.8	257.78	249.85	27.6	28.2	9.34	8.86
Automotive	24.8	24.9	24.7	-0.5	0.1	335.41	330.08	36.3	35.8	9.24	9.22
Apparel	12.8	13.3	13.4	-4.0	-5.0	127.08	121.18	20.3	19.8	6.26	6.12
Home Furnishings	10.3	10.6	10.9	-3.2	-5.5	338.75	273.51	31.6	28.7	10.72	9.53
Eating and Drinking	79.4	79.2	78.9	0.3	0.7	150.17	138.82	23.5	24.1	6.39	5.76
Fin., Insur., Real Estate	**96.5**	**96.5**	**96.6**	**0.0**	**-0.1**						
Finance	40.7	40.6	41.3	0.1	-1.6						
Insurance	39.1	39.1	38.6	0.0	1.2						
Real Estate	16.7	16.7	16.6	0.0	0.7						
Services	**372.9**	**370.2**	**361.6**	**0.7**	**3.1**						
Personal Services	18.2	17.8	18.1	2.2	0.9						
Business Services	79.1	78.5	77.9	0.8	1.6						
Repair Services	17.3	17.4	17.3	-0.4	0.4						
Health Services	96.4	96.0	93.5	0.4	3.1						
Nursing Homes	22.8	22.6	23.0	0.6	-1.1						
Hospitals	33.9	33.8	33.2	0.2	2.1						
Legal Services	13.1	13.1	12.5	-0.3	4.4						
Private Education	19.4	19.1	18.5	1.5	4.8						
Government	**192.8**	**189.1**	**187.8**	**1.9**	**2.7**						
Federal	21.2	21.2	21.6	-0.2	-1.8						
State	56.8	55.2	55.7	2.8	1.9						
Education	32.8	31.3	31.8	5.0	3.2						
Local	114.9	112.7	110.6	1.9	3.9						
Education	63.0	60.7	61.3	3.8	2.9						

Note: Not all industry sub-groups are shown for every major industry category.

1/ Totals may not add because of roundings.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Southern Minnesota

Labor Force Estimates

	Employment			Unemployment			Unemp. Rate		
	Feb. 1991	Jan. 1991	Feb. 1990	Feb. 1991	Jan. 1991	Feb. 1990	Feb. 1991	Jan. 1991	Feb. 1990
REGION 6W	24,346	24,772	23,379	1,927	1,735	1,606	7.3	6.5	6.4
Big Stone	2,744	2,843	2,714	247	211	201	8.3	6.9	6.9
Chippewa	7,400	7,339	6,666	552	562	472	6.9	7.1	6.6
Lac Qui Parle	4,044	4,180	3,998	255	221	209	5.9	5.0	5.0
Swift	4,598	4,735	4,577	433	390	352	8.6	7.6	7.1
Yellow Med.	5,560	5,675	5,424	440	351	372	7.3	5.8	6.4
REGION 8	60,849	62,655	58,698	3,765	3,404	3,533	5.8	5.2	5.7
Cottonwood	5,989	6,205	5,948	444	408	323	6.9	6.2	5.2
Jackson	5,670	5,834	5,262	375	321	303	6.2	5.2	5.4
Lincoln	3,166	3,318	3,068	255	251	264	7.5	7.0	7.9
Lyon	12,579	12,862	11,965	805	683	793	6.0	5.0	6.2
Murray	4,653	4,778	4,516	384	354	398	7.6	6.9	8.1
Nobles	11,687	12,049	11,318	475	474	432	3.9	3.8	3.7
Pipestone	4,876	5,014	4,944	400	338	373	7.6	6.3	7.0
Redwood	7,442	7,665	7,303	426	382	445	5.4	4.7	5.7
Rock	4,787	4,930	4,574	201	193	202	4.0	3.8	4.2
REGION 9	108,493	110,994	106,134	7,784	6,249	5,911	6.7	5.3	5.3
Blue Earth	28,183	28,666	28,017	1,402	1,070	1,047	4.7	3.6	3.6
Brown	13,837	14,202	13,071	1,027	919	837	6.9	6.1	6.0
Faribault	7,311	7,613	7,223	752	640	585	9.3	7.8	7.5
LeSueur	10,049	10,276	10,044	1,341	1,058	914	11.8	9.3	8.3
Martin	11,248	11,590	10,743	881	740	788	7.3	6.0	6.8
Nicollet	15,384	15,648	15,294	704	548	600	4.4	3.4	3.8
Sibley	6,672	6,905	6,551	646	524	543	8.8	7.1	7.7
Waseca	9,781	9,916	9,284	601	449	345	5.8	4.3	3.6
Watonwan	6,028	6,178	5,907	430	301	252	6.7	4.6	4.1
REGION 10	220,181	225,503	216,155	13,852	11,401	11,238	5.9	4.8	4.9
Dodge	7,411	7,715	7,754	822	666	582	10.0	8.2	7.0
Fillmore	9,623	10,055	9,214	943	736	839	8.9	6.8	8.3
Freeborn	15,675	16,161	16,051	1,335	1,331	1,367	7.8	7.6	7.8
Goodhue	21,504	21,929	20,944	1,205	1,012	992	5.3	4.4	4.5
Houston	9,274	9,592	9,071	786	521	653	7.8	5.2	6.7
Mower	17,505	17,819	16,986	912	809	842	5.0	4.3	4.7
Olmsted	62,969	64,299	60,463	2,448	2,068	2,083	3.7	3.1	3.3
Rice	27,217	27,818	26,661	1,830	1,415	1,306	6.3	4.8	4.7
Steele	15,611	15,954	15,628	1,004	804	608	6.0	4.8	3.7
Wabasha	8,043	8,227	7,967	731	628	634	8.3	7.1	7.4
Winona	25,349	25,934	25,416	1,836	1,389	1,332	6.8	5.1	5.0
Rochester Cty	39,176	40,004	37,617	1,681	1,414	1,415	4.1	3.4	3.6

Rochester MSA Nonfarm Wage & Salary Jobs

Industry	Employment			% Change From	
	Feb. 1991	Jan. 1991	Feb. 1990	Month Ago	Year Ago
Total Nonfarm Wage and Salary	66,242	66,334	63,244	-0.1	4.7
Goods Producing	13,747	13,799	13,543	-0.4	1.5
Construction and Mining	1,950	2,025	1,841	-3.7	5.9
Manufacturing	11,797	11,774	11,702	0.2	0.8
Durable Goods	9,883	9,891	9,936	-0.1	-0.5
Nondurable Goods	1,914	1,883	1,766	1.6	8.4
Service Producing	52,495	52,535	49,701	-0.1	5.6
Transp., Comm., & Util.	1,878	1,892	1,854	-0.7	1.3
Trade	13,166	13,414	12,564	-1.8	4.8
Wholesale	1,603	1,599	1,564	0.3	2.5
Retail	11,563	11,815	11,000	-2.1	5.1
Finan., Insur., & Re. Estate	1,787	1,791	1,750	-0.2	2.1
Services	28,600	28,536	26,834	0.2	6.6
Health	19,347	19,276	18,143	0.4	6.6
Other Services	9,253	9,260	8,691	-0.1	6.5
Government	7,064	6,902	6,699	2.3	5.4

Unemployment Rates May Be On The Increase

Unemployment rates seem to be edging upward, rising over the month, and more significantly, over the year. Unemployment rates across southern Minnesota averaged nearly one percentage point higher this February than during February 1990, and in the Rochester MSA, about a half a point higher. Still, at 3.7% this February, the MSA's rate was just over half the state's 6.6%. Unlike the rest of Minnesota, Region 8's unemployment rate remained about the same as last February's at 5.8%.

Unlike nationally and in other Minnesota metro areas, the number of employed workers in southern Minnesota rose significantly over last February despite dropping seasonally since January. Compared to February 1990, there were 2.3% more working in the four regions and 4.1% more in the Rochester MSA. Last year the MSA's February-to-February increase was 2.0%.

Relatively robust employment was also reflected in the Rochester MSA's nonfarm payroll jobs which rose 4.7% (3,000 jobs) over February of 1990, the largest gain by far of any MSA in the state. Powering this relative proliferation of jobs was health services, which created 1,204 new positions; retail trade and other services, both of which added about 560 jobs; and government, which had 365 more jobs than it did last February. The durable goods manufacturing sector, which has seen significant job cuts elsewhere, lost only about 50 over the year in the MSA.

Compared to January, the Rochester MSA's payroll job level remained essentially unchanged. Construction/ mining lost 3.7% of its jobs, retail trade lost 2.1% of its, and government added 2.3% more jobs. Otherwise, there was little change.

By Ron Daws

Central and Northwest Minnesota

Labor Force Estimates

	Employment			Unemployment			Unemp. Rate		
	Feb. 1991	Jan. 1991	Feb. 1990	Feb. 1991	Jan. 1991	Feb. 1990	Feb. 1991	Jan. 1991	Feb. 1990
REGION 1	41,016	41,954	39,739	5,272	5,383	4,350	11.4	11.4	9.9
Kittson	2,405	2,480	2,322	302	291	276	11.2	10.5	10.6
Marshall	4,438	4,646	4,328	1,153	1,112	943	20.6	19.3	17.9
Norman	3,442	3,587	3,339	384	322	290	10.0	8.2	8.0
Pennington	6,287	6,444	6,119	1,102	949	816	14.9	12.8	11.8
Polk	14,250	14,477	13,967	1,388	1,174	1,143	8.9	7.5	7.6
Red Lake	1,444	1,473	1,333	414	394	410	22.3	21.1	23.5
Roseau	8,750	8,847	8,331	529	1,141	472	5.7	11.4	5.4
REGION 2	29,397	30,067	28,971	3,901	3,391	3,095	11.7	10.1	9.7
Beltrami	15,895	16,212	15,553	1,506	1,265	1,153	8.7	7.2	6.9
Clearwater	3,041	3,106	3,062	1,069	924	851	26.0	22.9	21.7
Hubbard	6,087	6,204	6,168	909	815	741	13.0	11.6	10.7
Lake of Woods	2,005	2,092	1,857	75	80	81	3.6	3.7	4.2
Mahnomen	2,369	2,453	2,331	342	307	269	12.6	11.1	10.3
REGION 4	95,051	97,295	92,246	8,996	7,612	7,039	8.6	7.3	7.1
Becker	12,931	13,256	12,662	1,556	1,286	1,274	10.7	8.8	9.1
Clay	24,840	25,327	24,118	1,787	1,945	1,385	6.7	7.1	5.4
Douglas	15,282	15,691	14,638	1,113	962	939	6.8	5.8	6.0
Grant	2,887	2,969	2,818	319	295	302	10.0	9.0	9.7
Otter Tail	24,203	24,656	23,407	2,962	2,098	2,074	10.9	7.8	8.1
Pope	4,571	4,685	4,484	529	383	430	10.4	7.6	8.8
Stevens	5,112	5,237	4,956	308	291	292	5.7	5.3	5.6
Traverse	1,947	2,048	1,934	187	157	166	8.8	7.1	7.9
Wilkin	3,278	3,426	3,229	235	195	177	6.7	5.4	5.2
REGION 5	56,607	57,796	55,505	7,620	6,277	6,069	11.9	9.8	9.9
Cass	7,828	7,977	7,490	1,379	1,163	1,181	15.0	12.7	13.6
Crow Wing	20,384	20,741	20,078	2,137	1,827	1,777	9.5	8.1	8.1
Morrison	13,160	13,498	13,089	2,191	1,694	1,646	14.3	11.2	11.2
Todd	10,418	10,667	10,137	1,295	1,082	979	11.1	9.2	8.8
Wadena	4,817	4,913	4,711	618	511	486	11.4	9.4	9.4
REGION 6E	54,247	55,461	51,974	4,275	3,683	3,538	7.3	6.2	6.4
Kandiyohi	20,261	20,683	19,327	1,292	1,128	976	6.0	5.2	4.8
McLeod	16,597	16,993	16,215	1,110	958	998	6.3	5.3	5.8
Meeker	8,693	8,848	8,209	1,173	1,007	842	11.9	10.2	9.3
Renville	8,696	8,937	8,223	700	590	722	7.4	6.2	8.1
REGION 7E	49,416	50,465	49,389	6,612	5,500	5,302	11.8	9.8	9.7
Chisago	13,665	13,993	13,788	1,727	1,446	1,391	11.2	9.4	9.2
Isanti	11,570	11,848	11,674	1,250	1,116	962	9.8	8.6	7.6
Kanabec	5,114	5,209	5,176	918	750	834	15.2	12.6	13.9
Mille Lacs	9,923	10,152	9,498	1,133	900	866	10.2	8.1	8.4
Pine	9,144	9,263	9,253	1,584	1,288	1,249	14.8	12.2	11.9
REGION 7W	127,374	129,908	127,108	11,952	10,133	9,512	8.6	7.2	7.0
Benton	15,097	15,377	15,010	1,444	1,209	1,183	8.7	7.3	7.2
Sherburne	18,554	18,898	18,447	2,058	1,741	1,531	10.2	8.4	7.7
Stearns	62,076	63,226	61,719	4,794	4,040	4,016	7.2	6.0	6.1
Wright	31,647	32,407	31,932	3,616	3,143	2,802	10.3	8.8	8.1
St. Cloud MSA	95,727	97,501	95,177	8,337	6,990	6,710	8.0	6.7	6.6

St. Cloud MSA Nonfarm Wage & Salary Jobs

Industry	Employment			% Change From	
	Feb. 1991	Jan. 1991	Feb. 1990	Month Ago	Year Ago
Total Nonfarm Wage and Salary	78,574	78,352	77,430	0.3	1.5
Goods Producing	16,834	16,904	16,656	-0.4	1.1
Construction and Mining	2,422	2,487	2,836	-2.6	-14.6
Manufacturing	14,412	14,417	13,820	0.0	4.3
Durable Goods	8,258	8,295	8,285	-0.4	-0.3
Nondurable Goods	6,154	6,122	5,535	0.5	11.2
Service Producing	61,740	61,448	60,774	0.5	1.6
Transp., Comm., & Util.	3,922	3,930	3,740	-0.2	4.9
Trade	22,935	23,219	23,192	-1.2	-1.1
Wholesale	3,617	3,659	3,632	-1.1	-0.4
Retail	19,318	19,560	19,560	-1.2	-1.2
Finan., Insur., & Re. Estate	2,546	2,510	2,417	1.4	5.3
Services	18,416	18,126	17,463	1.6	5.5
Health	6,159	6,110	5,486	0.8	12.3
Other Services	12,257	12,016	11,977	2.0	2.3
Government	13,921	13,663	13,962	1.9	-0.3

Unemployment Jumps In February

Unemployment rates jumped from a month and year ago, especially across central Minnesota. In the usually economically sound St. Cloud MSA, for example, the unemployment rate climbed to 8.0% in February from 6.7% in January and 6.6% last February. St. Cloud's rate usually rises in February, but rarely this much. Not since 1985, when the MSA's February unemployment rate was 9.9% has this month's rate been this high.

Total employment across central and northwestern Minnesota also generally increased over the year, but barely. Worker losses over the month were mainly seasonal.

Payroll-based job estimates confirm that the St. Cloud economy is slowing. Two years ago the February-to-February job increase was 8.4%. Last year it was 2.2%. This year nonfarm payroll jobs increased 1.5% over February of 1990. This small net increase was the outcome of a few divergent industrial trends.

Construction/mining dropped by 14.6% (414 jobs) compared to February 1990, while nondurable goods manufacturing rose 11.2% (619 jobs) and health services rose 12.3% (673 jobs). While not a large percentage loss, retail trade lost 242 jobs over the year, the first February-to-February loss since 1975.

The small January-to-February job increase in the MSA was typical and the cumulation of mostly small (primarily seasonal) gains and losses among many industry sectors. Again, retail trade shows up as a red flag. Although retail trade suffered only a small job loss, it was the first time since 1986 that jobs didn't increase between January and February.

By Ron Daws

Northeast Minnesota

Unemployment Rates Continue To Rise

Region 3's unemployment rates continued to creep upward reaching 9.1% in February compared to 7.6% in January and 7.5% during February of 1990. Duluth's rate, meanwhile, rose to 6.8% compared to 5.3% in January and 5.7% last February. Not since 1987 when Duluth's February rate was 7.3% has it been higher for this month.

Encouragingly, the number of workers in the region and city is also increasing. Compared to February, there was nearly one percent more workers in the region, and nearly two percent more workers in Duluth. The drop in workers between January and February almost always happens, and the decline this year seems to be no greater than normal.

Even during this economic slowdown, Duluth's payroll jobs continue to grow, albeit more slowly now. The small decline in jobs between January and February was seasonal and enough were left to net Duluth 1.5% or 727 additional jobs over last February.

The main reason Duluth's over-the-year payroll job gain was small was that nondurable goods manufacturing susained job cutbacks that amounted to about 275 jobs, or 10.3% of its work force. Several other industries, however, netted substantial gains. Health services added 6.8% or nearly 400 more workers over the year. Contrary to national trends, both durable goods manufacturing and retail trade were able to create significant numbers of jobs. To put retail trade's job gain into perspective it should be mentioned that jobs were down somewhat last winter and spring.

Between January and February, Duluth's overall payroll job level remained essentially unchanged. Retail trade lost 300 jobs, a much stronger than normal February loss, and construction lost 80 jobs. That was counteracted by the addition of about 160 jobs in the service industry and over 200 new government jobs.

By Ron Daws

Labor Force Estimates

	Employment			Unemployment			Unemp. Rate		
	Feb. 1991	Jan. 1991	Feb. 1990	Feb. 1991	Jan. 1991	Feb. 1990	Feb. 1991	Jan. 1991	Feb. 1990
REGION 3	135,020	138,187	133,982	13,504	11,298	10,897	9.1	7.6	7.5
Aitkin	5,050	5,110	4,887	840	699	695	14.3	12.0	12.5
Carlton	11,799	12,100	11,720	1,383	1,106	1,082	10.5	8.4	8.5
Cook	2,464	2,553	2,384	247	209	256	9.1	7.6	9.7
Itasca	16,287	16,588	15,976	2,011	1,782	1,922	11.0	9.7	10.7
Koochiching	8,400	8,526	9,690	878	842	418	9.5	9.0	4.1
Lake	4,112	4,236	4,024	694	454	334	14.4	9.7	7.7
St. Louis	86,908	89,074	85,301	7,451	6,206	6,190	7.9	6.5	6.8
City of Duluth	37,730	38,671	37,033	2,763	2,155	2,220	6.8	5.3	5.7
Balance St. Louis	49,178	50,403	48,268	4,688	4,051	3,970	8.7	7.4	7.6

Duluth & Duluth Superior MSA Nonfarm Wage & Salary Jobs

Industry	DULUTH Employment			% Change From		DULUTH SUPERIOR Employment			% Change From	
	Feb. 1991	Jan. 1991	Feb. 1990	Month Ago	Year Ago	Feb. 1991	Jan. 1991	Feb. 1990	Month Ago	Year Ago
Total Nonfarm Wage and Salary	49,327	49,343	48,600	0.0	1.5	97,122	97,265	94,425	-0.1	2.9
Goods Producing	5,417	5,587	5,529	-1.8	-2.0	16,767	16,755	16,182	0.1	3.6
Mining	Small, combined with construction					5,186	5,310	5,166	-2.3	0.4
Construction	1,409	1,489	1,383	-5.4	1.9	3,075	3,080	2,800	2.5	9.8
Manufacturing	4,008	4,018	4,146	-0.2	-3.3	8,506	8,445	8,216	0.7	3.5
Durable Goods	1,627	1,644	1,492	-1.0	9.0	4,615	4,581	4,222	0.7	9.3
Nondurable Goods	2,381	2,374	2,654	0.3	-10.3	3,891	3,864	3,994	0.7	-2.6
Service Producing	43,910	43,836	43,071	0.2	1.9	80,355	80,510	78,243	-0.2	2.7
Transp., Comm., & Util.	2,981	2,993	2,897	-0.4	2.9	5,757	5,935	5,522	-3.0	4.3
Trade	11,714	12,014	11,546	-2.5	1.5	23,820	24,291	23,449	-1.9	1.6
Wholesale	1,884	1,884	1,882	0.0	0.1	3,863	3,850	3,811	0.3	1.4
Retail	9,830	10,130	9,664	-3.0	1.7	19,957	20,441	19,638	-2.4	1.6
Finan., Insur., & Re. Estate	1,951	1,932	1,913	1.0	2.0	3,256	3,237	3,158	0.6	3.1
Services	14,931	14,773	14,316	1.1	4.3	24,979	24,957	23,931	0.1	4.4
Health	6,184	6,107	5,788	1.3	6.8	10,053	10,003	9,455	0.5	6.3
Other Services	8,747	8,666	8,528	0.9	2.6	14,926	14,954	14,476	-0.2	3.1
Government	12,333	12,124	12,399	1.7	-0.5	22,543	22,090	22,183	2.1	1.6

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- **Local Area Unemployment Series (LAUS)** : contains monthly and annual average data on labor force, employment, unemployment and the unemployment rate for Minnesota and every county, major city, and region; contact Mike Casey at 296-3324.
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